

VZCZCXRO0387

PP RUEHFK RUEHKSO RUEHNAG RUEHNH  
DE RUEHKO #1839/01 2240655

ZNR UUUUU ZZH

P 120655Z AUG 09

FM AMEMBASSY TOKYO

TO RUEHC/SECSTATE WASHDC PRIORITY 5334

INFO RUEKJCS/SECDEF WASHDC PRIORITY

RHEHAAA/THE WHITE HOUSE WASHINGTON DC PRIORITY

RUEAWJA/USDOJ WASHDC PRIORITY

RULSDMK/USDOT WASHDC PRIORITY

RUCPDOC/USDOC WASHDC PRIORITY

RUEAIIA/CIA WASHDC PRIORITY

RUEKJCS/Joint STAFF WASHDC//J5//

RHHMUNA/HQ USPACOM HONOLULU HI

RHHMHBA/COMPACFLT PEARL HARBOR HI

RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA//

RHMFIUU/USFJ //J5/J021//

RUYNAAAC/COMNAVFORJAPAN YOKOSUKA JA

RUAYJAA/CTF 72

RUEHNH/AMCONSUL NAHA 8164

RUEHFK/AMCONSUL FUKUOKA 5833

RUEHOK/AMCONSUL OSAKA KOBE 9642

RUEHNAG/AMCONSUL NAGOYA 3270

RUEHKSO/AMCONSUL SAPPORO 6347

RUEHBJ/AMEMBASSY BEIJING 0392

RUEHUL/AMEMBASSY SEOUL 7052

RUCNDT/USMISSION USUN NEW YORK 6681

UNCLAS SECTION 01 OF 08 TOKYO 001839

SIPDIS

DEPT FOR E, P, EB, EAP/J, EAP/P, EAP/PD, PA;  
WHITE HOUSE/NSC/NEC; JUSTICE FOR STU CHEMTOB IN ANTI-TRUST DIVISION;  
TREASURY/OASIA/IMI/JAPAN; DEPT PASS USTR/PUBLIC AFFAIRS OFFICE;  
SECDEF FOR JCS-J-5/JAPAN,  
DASD/ISA/EAPR/JAPAN; DEPT PASS ELECTRONICALLY TO USDA  
FAS/ITP FOR SCHROETER; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR;  
CINCPAC FLT/PA/ COMNAVFORJAPAN/PA.

E.O. 12958: N/A

TAGS: [OIIP](#) [KMDR](#) [KPAQ](#) [PGOV](#) [PINR](#) [ECON](#) [ELAB](#) [JA](#)

SUBJECT: DAILY SUMMARY OF JAPANESE PRESS 08/12/09

INDEX:

- (1) Disease of politics (Part 1): Political parties being manipulated by populism (Sankei)
- (2) Employment measures in manifestos of LDP, DPJ (Part 2): Even if workers receive training, finding job is difficult (Yomiuri)
- (3) From the "Kasumigaseki Confidential" column: Key officials to the DPJ's strategy on the U.S.(Bungeishunju)
- (4) From the "Kasumigaseki Confidential" column: Battle for promotion at the Ministry of Defense (Bungeishunju)
- (6) EDITORIALS
- (7) Prime Minister's schedule, August 11 (Nikkei)

ARTICLES:

(1) Disease of politics (Part 1): Political parties being manipulated by populism

SANKEI (Page 1) (Slightly abridged)  
August 12, 2009

Minoru Kiuchi, 44, an independent candidate in the Shizuoka No. 7 Constituency for the upcoming House of Representatives election, held a gathering in Hamamatsu City in early August. There, Kiuchi apologized when one participant said: "It was meaningless to use an election poster featuring a celebrity."

The celebrity - Kaori Manabe - complained on her blog: "My picture was used without my permission," kicking up trouble. The trouble was caused due to a mistake made by an intermediary agent, so Kiuchi decided to remove the posters on July 31.

In the previous Lower House election, Kiuchi was forced to leave the Liberal Democratic Party for his opposition to the controversial postal privatization bill and was defeated by Satsuki Katayama, an "assassin" candidate. In part because he did not go back to the party afterward, some persons saw him as a person of conviction. Given this, many people were disappointed, feeling that Kiuchi was "defeated by populism."

Asked why he used a picture with Manabe, Kiuchi said:

"I intended to bring politics closer to young people. ... I have no excuse even if people claim my deed stemmed from populism. ... In the election campaign, I set forth the principles of not making conflicting remarks, currying favor with the public, and abandoning my efforts, I am determined to stick to my beliefs and principles."

The trend of currying favor with the public has dominated the campaigning for the upcoming election, as seen from even Kiuchi's dependence on a famous person.

A similar strife involving the LDP was also reported recently. The party asked Miyazaki Governor Kokubaru Miyazaki to run in the election on the party's ticket. The LDP aimed to turn the tables by making use of Miyazaki's name recognition. Faced with opposition from some party members, however, the party gave up this idea. The approach to Higashikokubaru is still being criticized as representing the party's moral corruption.

Ichiji Tozuka, 78, former executive secretary of the LDP Gunma prefectoral chapter who worked for prime ministers Takeo Fukuda,

TOKYO 00001839 002 OF 008

Yasuhiro Nakasone and Keizo Obuchi, complained:

"It was inconceivable for the LDP to make such a behavior in the past. (Election Strategy Committee Chairman) Makoto Koga probably asked the governor to run in the election for the sake of the party, but if there were an influential person who can unite the party and fight against the opposition camp, such as (former secretary general) Hiromu Nonaka, the person must have scolded him, saying, 'Don't take such an absurd action. ... The party and party members have slacked recently. That is why they depend on the power of the wind."

The Democratic Party of Japan (DPJ) is also dependent on the power of "a change of government." A senior party member said: "The voters, rather than supporting the DPJ, must be hopeful of seeing a change of government once." Based on this view, the main opposition party has emphasized the need for regime change.

Under such circumstances, the DPJ has altered the contents of its campaign manifesto in response to critical comments. In response to a call from Osaka Governor Toru Hashimoto, the party added a pledge to set up a forum for talks between the central and local governments. Faced with criticism of its proposed conclusion of a Japan-U.S. free trade agreement (FTA), the DPJ rewrote the expressions.

In the previous Lower House election, the LDP won a landslide victory, with the "Koizumi drama," but was politics carried out as the voters anticipated? The upcoming election is gradually becoming a theater-type election with the title of "a change of government."

Journalist Yoshiko Sakurai warned:

"In single-seat constituencies, one party tends to win an overwhelming victory under the two-party system. This time, with a focus on a 'change of government,' the people appear to be just interested in bringing about changes, with policies hardly discussed. Politicians must speak of their policies, but they are eagerly trying to curry favor with the voters. This is indisputably populism. I am worried out the future of Japanese politics."

The upcoming Lower House election is likely to be an opportunity for the voters to choose which political party is more acceptable, given that the voters have rejected LDP-led politics has been rejected,

rather than supporting the DPJ.

(2) Employment measures in manifestos of LDP, DPJ (Part 2): Even if workers receive training, finding job is difficult

YOMIURI (Page 3) (Full)  
August 11, 2009

When a 39-year-old woman dispatched by a temporary staff agency in Tokyo informed the agency that the company planned to slash her hourly wage by 40%, the person in charge at the agency said, "You've worked there more than 10 years. Why not quit?"

The employee continued to work at the company, renewing her contract every 6 or 12 months, and has now been there 12 years. She took leave last fall to give birth and returned to the company in December. But she found her assignments sharply reduced due to the economic downturn. Her monthly wage, which sometimes topped 400,000

TOKYO 00001839 003 OF 008

yen including overtime, was reduced by half, and in August her hourly wage will also be cut. "The worker dispatch system is convenient for companies," she complained, "but the companies do not protect dispatched workers."

In 1986, the government approved 13 types of work that could be performed by temporary workers. After the government deregulated the temp agency industry in principle in 1999, the number of people registering with temporary staff agencies skyrocketed to 3,812,353 in fiscal 2007, a 26-fold increase from fiscal 1986.

As measures to improve unstable employment conditions, both the Liberal Democratic Party (LDP) and the Democratic Party of Japan (DPJ) include in their policy platforms for the upcoming general election planks to restrict the short-term employment of non-regular workers. But Haken Union Chief secretary Shichiro Sekine asserted that "it is imperative to improve working conditions not only for dispatched workers but for all fixed-term contract workers by such means as placing contract or temporary workers on the regular payroll."

Measures for jobless young people are also urgently needed. A breakdown of dispatched workers by age bracket discloses that those aged 25 to 34 total 500,000, the largest number, according to the Labor Force Statistics of the Ministry of Internal Affairs and Communications (average figure for 2008). This age group also contains the highest portion of people who have been unemployed for more than one year. If people remain non-regular workers for a long period, they will not acquire or enhance skills, and so it will be difficult for them to find new jobs if they are laid off.

The LDP's manifesto includes measures to beef up vocational training to give young people practical knowledge and measures to place part-time workers on regular payrolls. In its manifesto the DPJ pledges to raise the minimum hourly wage from the current 703 yen to 1,000 yen.

But among business groups there has been a backlash to the DPJ proposal. They claim that raising the minimum wage could increase bankruptcies among small businesses and put more people out of work.

NPO-Sodateage Net President Kudo, which provides support for young people neither employed nor in training, also harbors doubts about the measure, "There are many cases of young people pulling themselves up by the bootstraps while starting in simple jobs at low wages."

The two parties' manifestos include livelihood-support measures for people receiving job training. "Under the current situation, even if job-seekers receive training, they will have a hard time finding employment with a company," says Open University of Japan Professor Michiko Miyamoto, commenting on those measures. "It is also necessary to address medium- and long-term tasks, in addition to measures to deal with (unemployment) during the ongoing recession -- measures including how to make use of female and elderly workers."

(3) From the "Kasumigaseki Confidential" column: Key officials to the DPJ's strategy on the U.S.

BUNGEISHUNJU (Page 235) (Full)  
September 2009

TOKYO 00001839 004 OF 008

The Democratic Party of Japan (DPJ) has been shifting conspicuously to a more pragmatic line in foreign and security policies as its takeover of political power approaches.

It is noteworthy that on the premise that a new Japan-U.S. security declaration is expected to be drawn up between the two countries by summer 2010 at the latest, the DPJ has: (1) condoned the continuation of the refueling mission for ships of the multinational forces in the Indian ocean; (2) condoned the U.S. "nuclear umbrella" (nuclear deterrence); and (3) toned down its pledge to "embark on a revision" of the Japan-U.S. Status of Forces Agreement (SOFA) to "suggesting a revision" of this agreement. It is reported that this was mainly due to the advice of Jitsuro Terashima, chairman of Japan Research Institute, who enjoys the great confidence of President Yukio Hatoyama and who is still asked to give long briefings to Hatoyama even after he became DPJ president.

Under the circumstances, there is great interest in the foreign affairs bureaucracy in the activities of former Ambassador to the United Nations (UN) Yukio Sato (currently vice chairman of the Japan Institute of International Affairs; class of 1961 in the Ministry of Foreign Affairs (MOFA)), who went to Washington in late June supposedly to attend a seminar.

Sato was director general of the North American Affairs Bureau when Hatoyama was deputy chief cabinet secretary under the administration of Morihiro Hosokawa. Together with Hatoyama, he was a member of the party accompanying Hosokawa on his famous trip to the U.S. to "say no" in 1994. Sato and Hatoyama have been close friends since then, and the truth about Sato's trip to Washington is that he was asked by Hatoyama to re-establish contact with his old acquaintances in the U.S. Democratic Party. Within the Obama administration, Sato is a friend of Richard Holbrooke, special representative for Afghanistan and Pakistan who is close to Secretary of State Hillary Clinton. Holbrooke was national security adviser to the president during the Clinton administration. He is also close to Anthony Lake, who has served as President Barack Obama's adviser on foreign policy since the presidential election campaign.

Sato served as chief of the Japan-U.S. Security Treaty Division under the North American Affairs Bureau, director general of the Intelligence and Analysis Service, and director general of the North American Affairs Bureau, but he lost to former Ambassador to the U.S. Shunji Yanai, who also joined MOFA in 1961, in the race to become vice minister. His last position before retirement was ambassador to the UN. However, he has built extensive personal connections with the U.S. Democratic Party under the Carter administration in the second half of the 1970s. His friendly relationship with then House of Representatives member Mel Levine is said to be the starting point of his network of personal connections in the Democratic Party. His close ties with Holbrooke and Lake were built through Levine, who is now a Democratic lobbyist.

The DPJ under Hatoyama is exerting efforts to tap on talented people in MOFA (current vice minister is Mitoji Yabunaka, batch of 1969) who are not part of the mainstream faction. One of them is former deputy vice minister of foreign affairs Hitoshi Tanaka, a contemporary of Yabunaka who is rumored to join the Prime Minister's Official Residence (Kantei).

(4) From the "Kasumigaseki Confidential" column: Battle for

TOKYO 00001839 005 OF 008

promotion at the Ministry of Defense

The Ministry of Defense (MOD) implemented its regular personnel placements of senior officials of the internal bureaus on August 1, but the retirement of Administrative Vice Minister Kohei Masuda (who joined the old Defense Agency in 1975) and his replacement by Kimito Nakae (who joined the Ministry of Finance in 1976), director general of the Minister's Secretariat, was not included. It is very unusual for appointments already reported by the newspapers to be revoked, but the background to this is the fierce conflict between Defense Minister Yasukazu Hamada and Masuda on personnel issues.

Masuda was promoted as vice minister two years ago as the reluctant choice to replace his alleged archenemy, former Vice Minister Takemasa Moriya (class of 1971) from his previous job of director general of the Bureau of Education and Training. As if negating all of the "legacy" from the Moriya era, he has adopted an "exclusively defensive" posture, shelving all the important pending issues, including U.S. Forces Japan (USFJ) realignment and the selection of major military hardware, and was even evasive on the question of dispatching the Maritime Self-Defense Force to waters off Somalia at first. On the other hand, he has been keen on the organizational reform of the internal bureaus, such as the abolition of the Bureau of Operational Policy, which became the decisive factor in the decline of the internal bureaus' influence. As a result, a play-safe attitude and an air of lethargy prevail in the ministry. His reputation among his subordinates is very negative.

Furthermore, the Self-Defense Forces officers also have a low opinion of him for his poor handling of the collision of the Aegis ship Atago with a fishing boat, causing confusion both at home and abroad.

However, Masuda is also shrewd. It is reported that he intends to become the "power behind the throne" in the MOD with remote control from the Prime Minister's Official Residence (Kantei) by replacing Deputy Chief Cabinet Secretary Kyoji Yanagisawa (batch of 1970) - which is very unusual for a former vice minister.

For this reason, Masuda had wanted to frontload personnel appointments to April at first to avoid the new administration's interference in appointments to the Kantei after a DPJ administration is formed. However, when he realized that this would not be possible, he then maneuvered to postpone the regular personnel changes, but he was stopped by Minister Hamada. Hamada wanted to tap all the able officials in the ministry regardless of their relationship with Moriya in order to bring some fresh air into the MOD, so he ordered the appointment of Hironori Kanazawa (batch of 1977), head of the Equipment Procurement and Construction Office, as chief of the Minister's Secretariat. Masuda, who feared the decline of his own influence with the comeback of the bold and big-hearted Kanazawa to power, countered with the nomination of National Defense Academy Vice President Takumi Okazaki (batch of 1977), who is subservient to him, for the same position. When he found out that Hamada was determined to appoint Kanazawa, he resorted to an outrageous plan of staying in his job, freezing Nakae's promotion as vice minister, and through this, stop Kanazawa from becoming chief of the Minister's Secretariat.

TOKYO 00001839 006 OF 008

While Masuda explains to people around him that, "If we make Nakae vice minister now, the poor guy may lose his job under a DPJ administration," what is happening is also a result of his own calculations.

Actually, Nakae, who hails from the MOF, is close to DPJ supreme adviser Hirohisa Fujii, who is also a former MOF official, so there is practically no objection in the DPJ to his becoming the vice defense minister. What Masuda is saying is unconvincing. Furthermore, at about the same time, unconfirmed rumors of Nakae being involved with a scandal had been circulating in the government, causing a delay in his background check. As a result, the appointment of Nakae as vice minister and Kanazawa as chief of the Minister's Secretariat was not included in the appointments

dated August 1.

Although Hamada has attempted to fight back to realize his plan to appoint Nakae and Kanazawa, Masuda is defiant, since he no longer fears a Liberal Democratic Party minister. He has absolutely no intention to give up his job as vice minister under Hamada. For this reason, ministry officials criticize him behind his back for "giving top priority to his own interest; he is even worse than Moriya."

#### (5) TOP HEADLINES

Asahi:

Shizuoka earthquake: Collapsed portion of Tomei Expressway to be restored Thursday; 110 injured, 3,340 houses damaged

Mainichi:

DPJ announces revisions to five planks in manifesto, including FTA with U.S.

Yomiuri:

110 injured in quake in Shizuoka registering intensity of lower 6 (on Japanese seismic scale of 7)

Nikkei:

Sapporo Breweries to buy 20% of Pokka in three-way tie-up with Meiji

Sankei:

DPJ makes revisions and additions to manifesto, including FTA with U.S.; announces final version in an unusual move to appease backlash from different groups

Tokyo Shimbun:

Shizuoka earthquake: 112 injured in three prefectures and Tokyo

Akahata:

Open the way to the future by growing the party that has advanced history

#### (6) EDITORIALS

Asahi:

(1) Shizuoka quake with intensity of lower 6 (on Japanese seismic scale of 7): Are we prepared for impending Tokai quake?  
(2) Burma: Military junta threatening Asia

Mainichi:

TOKYO 00001839 007 OF 008

(1) Torrential rains hit western Japan: Thoroughly investigate problems exacerbating the damage  
(2) Shizuoka quake: Fear nature and prepare for the worst

Yomiuri:

(1) Disaster archipelago: Secure reliable evacuation and relief system  
(2) Aung San Suu Kyi: Guilty sentence runs counter to democratization

Nikkei:

(1) Shock of Shizuoka quake evoked Tokai quake, which could occur in near future  
(2) Unreasonable court decision against Aung San Suu Kyi unforgivable

Sankei:

(1) Yasukuni Shrine visit: What has become of the Prime Minister's duty as a leader?  
(2) Earthquake and typhoon: Prepare for multiple natural disasters

Tokyo Shimbun:

(1) Quake and typhoon: What will we do if they both hit at the same time?  
(2) Recommendations by National Personnel Authority: Substantive reform under next administration urged

Akahata:

(1) General election and young people: Make choices that will realize young people's wishes

(7) Prime Minister's schedule, August 11

NIKKEI (Page 2) (Full)

August 12, 2009

08:53

Met Tetsuro Ito, the Cabinet's crisis management officer, at the Kantei.

09:20

Met National Personnel Authority President Tani at the Kantei, with Chief Cabinet Secretary Kawamura and Internal Affairs Minister Sato present. Met with Kawamura, followed by meetings with Deputy Chief Cabinet Secretary Matsumoto and Disaster Prevention Minister Hayashi.

10:02

Attended a cabinet meeting. Later attended a meeting of cabinet ministers involved in drawing up monthly economic reports.

11:15

Handed a letter of appointment for the post of assistant deputy chief cabinet secretary to the former Defense Ministry's chief secretary Nishikawa. Later, met former Lower House member Akira Shichijo, Tokushima Prefectural Chapter Secretary General Takeuchi and others. Next met Ambassador to Hungary Ito, Ambassador to Libya Nishigahiro, and others.

12:48

Recorded a video message for the international student exchange program "Japan Tent."

TOKYO 00001839 008 OF 008

13:02

Met former prime minister Mori, followed by Cabinet Intelligence Director Mitani.

15:28

Visited the Suzuki Kantaro Memorial Hall in Noda City, Chiba Prefecture. Delivered a stump speech in its parking lot.

17:34

Delivered a stump speech in front of JR Matsudo Station.

18:28

Delivered a stump speech in front of JR Ichikawa Station.

19:47

Arrived at the Kantei.

20:45

Recorded a news program at Nippon Television Network Co. in Higashi-Shimbashi.

22:01

Returned to his official residence.

ZUMWALT